IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA   )   Criminal No. 10-180
)
            v.   )   (42 U.S.C. §§ 1320d-6(a)(3)
)   (b)(3), 408(a)(8);
PAUL C. PEPALA   )   18 U.S.C. § 2(b))

INDICTMENT

The Grand Jury charges:

Introduction

1.   At all times material hereto, the Health Insurance
Portability and Accountability Act of 1996 (hereafter, HIPAA),
provided for the establishment of standards and requirements for
the electronic transmission of certain health information. 42
U.S.C. § 1320d-6(2000).

2.   At all times material hereto, the University of
Pittsburgh Medical Center (UPMC) owned and operated a hospital
known as UPMC Shadyside. At all relevant times hereto, both UPMC
and UPMC Shadyside were "persons" as defined by HIPAA, and
therefore subject to the standards. 42 U.S.C. § 1320d-1.

3.   At all times material hereto, HIPAA provided
criminal sanctions for the disclosure of "unique health
identifiers" or "individually identifiable health information",
in violation of HIPAA, that is, health information that *inter
alia*, "identifies the individual" or "with respect to which there
is a reasonable basis to believe that the information can be used
to identify the individual." 42 U.S.C. § 1320d(6)(a) and
§ 1320d(6).

4.   At all times material hereto, the defendant, PAUL C. PEPALA, was employed by UPMC Shadyside as a surgical instrument technician, and had access to unique health identifiers and individually identifiable health information of patients at UPMC Shadyside.

COUNT ONE

From on or about February 1, 2008, until on or about February 14, 2008, in the Western District of Pennsylvania, the defendant, PAUL C. PEPALA, did knowingly, and for a reason other than permitted by Title 42, United States Code, Chapter 7, Subchapter XI, Part C, did disclose and cause to be disclosed, individually identifiable health information with the intent to sell, transfer and use the information for personal gain, to wit, the defendant, PAUL C. PEPALA, did unlawfully disclose the names, social security numbers, and dates of birth of patients at UPMC Shadyside, which individually identifiable health information the defendant, PAUL C. PEPALA, did intend to sell, use, and transfer for personal gain to persons known to the grand jury as "E.S." and "G.N", and other persons unknown to the Grand Jury, which information "E.S." and "G.N." did use to file false electronic form 1040 tax returns in February 2008.

In violation of Title 42, United States Code, Section 1320d-6(a)(3), (b)(3), and Title 18, United States Code, Section 2(b).

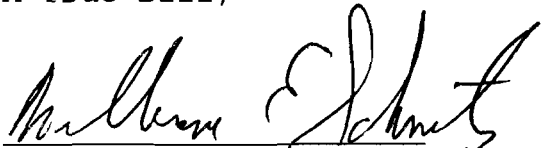<u>COUNTS TWO THROUGH FOURTEEN</u>

The Grand Jury further charges:

From on or about February 1, 2008, until on or about February 14, 2008, in the Western District of Pennsylvania, the defendant, PAUL C. PEPALA, did knowingly disclose and use, the social security number of another person in violation of the laws of the United States, to wit, the defendant, PAUL C. PEPALA, without authorization, did use and disclose the social security number of each of the following persons as set forth below, in violation of Title 42, United States Code, Section 1320d-6, that is, he wrongfully used, obtained, and disclosed individually identifiable health information of the persons whose initials are set forth below, to persons known to the Grand Jury as "E.S." and "G.N.", and other persons unknown to the Grand Jury, which information "E.S." and "G.N." did use to file false electronic form 1040 tax returns in February 2008 on or about the dates set forth below, each such disclosure being a separate count incorporated herein:
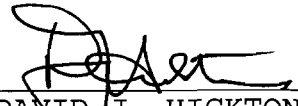
<u>Count</u>	<u>Filing Date</u>	<u>Person</u>	<u>Last four digits of SSN</u>
2	2/10/08	J.B.	1072
3	2/10/08	T.C.	0379
4	2/10/08	J.L.	8854
5	2/12/08	P.D.	5641
6	2/12/08	J.L.	4149
7	2/12/08	D.V.	8317

8	2/13/08	V.M.	6894
9	2/13/08	T.M.	7716
10	2/13/08	J.O.	8409
11	2/13/08	G.W.	9679
12	2/13/08	H.M.	3817
13	2/13/08	R.A.	5447
14	2/14/08	P.H.	4998

In violation of Title 42, United States Code, Section 408(a)(8).

A True Bill,

FOREPERSON

DAVID J. HICKTON
United States Attorney
PA ID No. 34524